

SHRIMATHI DEVKUNVAR NANALAL BHATT VAISHNAV COLLEGE FOR WOMEN
(AUTONOMOUS)

(Affiliated to the University of Madras and Re-accredited with 'A+' Grade by NAAC)

Chromepet, Chennai - 600 044.

B.Com. A&F - END SEMESTER EXAMINATIONS - APRIL 2025

SEMESTER - V

20UAFCT5014 - Cost Accounting

Total Duration : 2 Hrs.30 Mins.

Total Marks : 60

Section B

Answer any **SIX** questions ($6 \times 5 = 30$ Marks)

1. State the Meaning and Objectives of Cost Accounting.
2. Compute the prime cost with following details: Direct Material Used ₹82,000; Productive Wages ₹17,000; Royalty Wages ₹11,000; Hire Charge of Special machines for the job 13,000.
3. Calculate works cost: Factory expenses ₹700; Office Expenses ₹300; Selling expenses ₹900; Material Consumed ₹3,400
4. Calculate Inventory Turnover Ratio from the following: Opening stock - ₹80,000; Closing Stock - ₹60,000; Materials Purchased - ₹2,60,000.
5. A factory requires 2,000 units of a certain material for a year. Cost of carrying one unit of this material is ₹1 per annum and it is estimated that the expenses of placing an order and receiving would be ₹10. Calculate EOQ and number of orders per year.
6. Work out the machine hour rate for the following machine whose scrap value is 'nil'.
 - (i) Cost of machine Rs.3,60,000
 - (ii) Freight and installation Rs.40,000
 - (iii) Working life :20 years
 - (iv) Working hours : 8,000 per year
 - (v) Repair charges : 50% of depreciation
 - (vi) Power : 10 units per hour @ 10 paise per unit
 - (vii) Lubricating oil @ Rs.2 per day of 8 hours
 - (viii) Consumable stores @ Rs.10 per day of 8 hours
 - (ix) Wages of operator @ Rs.4 per day.
7. Calculate the earnings of a worker under the time rate method: standard time 30 hours, time taken 20 hours, hourly rate of wages is ₹1 per hour plus dearness allowance at 50 paise per hour worked.

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8. The under mentioned details relate to the quarter ended on 30th September 2024
 - Works expenses- ₹80,000; Finished Production – 18,000 Units; Work In progress
 - (50% Complete) 4,000 Units; Ascertain overhead absorption rate per unit of production.

Section C

Answer any **THREE** questions (3 × 10 = 30 Marks)

9. Explain the factors to be considered while installing a cost system.
10. Calculate (1) Prime Cost, (2) Factory Cost (3) Cost of Production (4) Cost of Sales and (5) Profit from the following particulars

	₹
Direct Material	1,00,000
Direct Wages	25,000
Direct Expenses	5,000
Wages of foreman	2,500
Electric power	500
Lighting:	
Factory	1,500
Office	500
Rent:	
Factory	5,000
Office	2,500
Salaries to salesman	1,250
Advertising	1,250
Income tax	10,000
Sales	1,89,500

11. The Stock in hand of a material as on 01-09-2023 was 500 units at ₹1 per unit. The following purchases and issues were subsequently made. Prepare the Stores ledger account showing how the value of the issues would be recorded under FIFO
- Purchases
 06-09-2023 100 units at ₹1.10; 20.09.2023 700 units at ₹1.20
 27-09-2023 400 units at ₹1.30; 13-10-2023 1,000 units at ₹1.40
- Issues
 09-09-2023 500 units; 22-09-2023 500 units; 30-09-2023 500 units; 15-10-2023 500 units.

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12. Calculate the normal and overtime wages payable to a workman from the following data

Days	Hours Worked
Monday	8
Tuesday	10
Wednesday	9
Thursday	11
Friday	9
Saturday	4

Normal Working hours : 8 Hours per day

Normal Rate : ₹2 per hour

Overtime rate : Double the usual rate.

13. Kamaresh Ltd., has three production departments 'A', 'B' and 'C' two service departments 'D' and 'E'. The following figures are extracted from the records of the company:

	Rs.
Rent and rates	5,000
Indirect wages	1,500
Depreciation of machinery	10,000
General lighting	600
Power	1,500
Sundries	10,000

Following further details are available:

	Total	A	B	C	D	E
Floor space in square feet	10,000	2,000	2,500	3,000	2,00	500
Light points	60	10	15	20	10	5
Direct wages (Rs.)	10,000	3,000	2,000	3,000	1,500	500
H.P of machines	150	60	30	50	10	-
Value of machinery (Rs.)	2,50,000	60,000	80,000	1,00,000	5,000	5,000

Apportion the cost to various departments on the most equitable basis by preparing a primary departmental distribution summary.
